

CYNTHIA PARULAN-COLFER, Superintendent

Members of the Board PENNY FRAUMENI, President JOSEPH K. CHANG, Ph.D., Vice President GINO KWOK, Esq., Clerk ANTHONY DUARTE, Member MARTIN G. MEDRANO, Member

August 12, 2016

Dean C. Logan, Registrar-Recorder/County Clerk Election Coordination Unit 12400 Imperial Highway, Room 2013A Norwalk, CA 90650

Lori Glasgow Executive Officer, Board of Supervisors Kenneth Hahn Hall of Administration 500 West Temple Street, Room 383 Los Angeles, CA 90012 **ADOPTED**

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

52 September 13, 2016

LORI GLASGOW EXECUTIVE OFFICER

Re: Hacienda La Puente Unified School District November 8, 2016 Bond Measure Election

Enclosed please find the Hacienda La Puente Unified School District Board of Education "RESOLUTION OF THE GOVERNING BOARD OF HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION; ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER; AUTHORIZING THE SUPERINTENDENT OR DESIGNEE TO FILE A TAX RATE STATEMENT; AND AUTHORIZING THE GOVERNING BOARD TO FILE A BALLOT ARGUMENT IN SUPPORT OF THE BOND MEASURE TO BE VOTED ON AT THE ELECTION" adopted on August 11, 2016, calling for a November 8, 2016 local bond election.

Also enclosed is the District's Tax Rate Statement.

We expect Exhibit B to the Resolution (the "Full Ballot Text") to be printed in its entirety in each sample ballot/voter pamphlet.

By this letter we are formally requesting to review a proof of the ballot statement language, the full text of the ballot proposition, impartial analysis and ballot arguments that would appear in the voter pamphlet prior to publishing. Please direct this proof to the undersigned as soon as it is available.

Vision Statement:

Re: Hacienda La Puente Unified School District November 8, 2016 Bond Measure Election August 12, 2016 Page 2

We believe that Education Code Section 15122.5 is applicable and we request that the County include the following "State Matching Funds" language in the ballot or voter pamphlet:

"Approval of Measure _____ does not guarantee that the proposed project or projects in the Hacienda La Puente Unified School District that are the subject of bonds under Measure ____ will be funded beyond the local revenues generated by Measure ____. The school district's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure."

If possible, the District would like to request the measure letter designation of "A" or if that is not available, then "B." If neither of those designations is possible, the District requests that we not be assigned the letters "W," "X," "Y," or "Z."

We would be more than happy to provide you with the resolution electronically in order to facilitate your work, or to assist with this process in any other manner. Should you have any questions or require any further information, please contact Gary Matsumoto at: gmatsumoto@hlpusd.k12.ca.us or at: (626) 933-3801.

Sincerely,

Cynthia Parulan-Colfer

Superintendent

Enclosure

Hacienda La Puente Unified School District Tax Rate Statement for Bond Measure ___ Election to be held November 8, 2016

An election will be held in Hacienda La Puente Unified School District (the "District") on November 8, 2016 to authorize the sale of \$148,000,000 in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

- 1. The best estimate of the tax rate that would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on a projection of assessed valuations available at the time of filing this statement, is \$.044 per \$100 (\$44 per \$100,000) of assessed valuation in fiscal year 2017-18.
- 2. The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on a projection of assessed valuations available at the time of filing this statement, is \$.044 per \$100 (\$44 per \$100,000) of assessed valuation in fiscal year 2017-18.
- 3. The best estimate of the highest tax rate that would be required to fund this bond issue, based on a projection of assessed valuations available at the time of filing this statement, is \$..044 per \$100 (\$44 per \$100,000) of assessed valuation in fiscal year 2017-18.
- 4. The best estimate of total debt service, including principal and interest, which would be required to be repaid if all the bonds are issued and sold is \$293,864,200. This estimate is based on the assumption there will be no bonds issued with a term over 30 years.

These projections of assessed valuations and tax rates are based on experience within the District and are derived from information obtained from official sources. The actual tax rates and the years in which they apply may vary depending on the timing of bond sales, the amount of bonds sold at each sale and actual assessed valuation in each year. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the needs of the District. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined in the assessment and equalization process.

Dated: August 11, 2016

Cynthia Parulan-Colfer

Superintendent

Hacienda La Puente Unified School District



HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT

15959 East Gale Avenue • P.O. Box 60002 • City Of Industry, California 91716-0002 • (626) 933-3800

CYNTHIA PARULAN-COLFER, Superintendent

Members of the Board PENNY FRAUMENI, President JOSEPH K. CHANG, Ph.D., Vice President GINO KWOK, Esq., Clerk ANTHONY DUARTE, Member MARTIN G. MEDRANO, Member

RESOLUTION OF THE GOVERNING BOARD OF HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION; ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER; AUTHORIZING THE SUPERINTENDENT OR DESIGNEE TO FILE A TAX RATE STATEMENT; AND AUTHORIZING THE GOVERNING BOARD TO FILE A BALLOT ARGUMENT IN SUPPORT OF THE BOND MEASURE TO BE VOTED ON AT THE ELECTION

WHEREAS, the Governing Board (the "Board") is committed to maintaining the quality of education in local public schools by continuing to fund advanced programs in math, science, technology and the arts; and

WHEREAS, the Board has determined that local neighborhood schools within the Hacienda La Puente Unified School District (the "District") need to be provided with facilities and equipment to enable the District to provide career and technology education classes so students are prepared for college and well-paying jobs in fields like science, technology, and skilled trades; and

WHEREAS, the Board believes that the District must maintain and repair classrooms, facilities and equipment, as needed, so that all facilities and campuses are clean and well-maintained; and

WHEREAS, the Board believes it is a wise investment to (i) continue to address facility improvements now before they become more pressing and more costly, and (ii) protect the quality of our schools, the quality of life in our community and the value of our homes; and

WHEREAS, the State of California (the "State") is not providing the District with enough money for the District to adequately maintain its educational facilities and academic programs; and

WHEREAS, the Board has concluded that the District's only remedy to avoid the undermining of its educational programs is to secure local funding that the State cannot take away; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its impact on raising academic standards; and

WHEREAS, such a measure also can provide funds that cannot be taken away by the State; and

WHEREAS, such a measure must include mandatory taxpayer protections, including an independent citizens' oversight committee and mandatory audits to ensure funds are spent properly; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 ("Proposition 46"), amended Section 1(b) of Article XIIIA of the California Constitution by adding a provision that exempts from the 1% of full cash value limitation, those ad valorem taxes used to pay for debt service on any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; and

- WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which reduced the voter threshold for *ad valorem* tax levies used to pay for debt service on bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and
- WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and
- WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight that are contained in Proposition 39 and the Act; and
- WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities; and
- WHEREAS, the Board hereby determines that, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for inappropriate administrative salaries or other operating expenses of the District shall be enforced strictly by the District's Citizens' Oversight Committee; and
- WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and
- **WHEREAS**, Section 9400 et seq. of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official materials relating to the election, including any ballot pamphlet prepared, sponsored, or distributed by the District; and
- WHEREAS, the Board desires to authorize the filing of a ballot argument in favor of the proposition to be submitted to the voters at the election; and
- WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request the Los Angeles County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE GOVERNING BOARD OF THE HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 et seq., 15264 et seq., and Government Code Section 53506, hereby requests the Los Angeles County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of up to \$148 million (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet.

Section 2. That the date of the election shall be November 8, 2016.

- Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A," incorporated by reference herein, and containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot propositions in Exhibits "A" and "B" are subject to the following requirements and determinations:
 - (a) the proceeds of the sale of the Bonds shall be used only for the purposes set forth in the ballot measure and not for any other purpose, including teacher or administrator salaries or other school operating expenses;
 - (b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction, classroom, educational, and information technology needs of the District as well as the importance of the projects to student achievement and high quality instruction;
 - (c) that the Board shall cause an annual, independent performance audit to be conducted to ensure that the Bond monies get spent only for the projects identified in Exhibit "B" hereto;
 - (d) that the Board shall cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;
 - (e) that the Board will cause the appointment of a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Education Code Section 15274. In furtherance of its specifically enumerated purposes, the Citizens' Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:
 - (i) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);
 - (ii) Inspect District facilities and grounds to ensure that Proposition 39 bond revenues are expended in compliance with applicable law;
 - (iii) Receive and review copies of all deferred maintenance proposals or plans developed by the District;
 - (iv) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs;
 - (f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIIIA of the California Constitution;
 - (g) that prior to the issuance of bonds for the construction of new projects set forth in Exhibit "B," the Board would have received and approved a report from the President, stating that the District had identified sufficient financial resources to pay for the ongoing maintenance of such projects, and that such a report shall be made available to the Citizens' Oversight Committee for review;

- (h) that the District must have a Governing Board approved short-term plan to eliminate deferred maintenance using general fund revenues, and, if necessary, with a limited reliance on bond revenues; and an approved major maintenance plan to ensure that both new and renovated facilities do not become maintenance deferred once the backlog has been eliminated, and that such plan should be made available to the Citizens' Oversight Committee;
- (i) that prior to the issuance of the bonds, the District shall apply and continue to enforce a prequalification of bidders procedure on all new projects set forth in Exhibit "B" so that the District can be confident that all contractors, at all times, are qualified to bid on, work on, and complete such projects;
- (j) that prior to the issuance of the bonds, the District shall initiate and enforce a labor compliance program which requires that (i) all contracts contain appropriate language concerning public works; (ii) federal and state labor laws are fully disclosed to all bidders; (iii) weekly payroll records of each contractor and subcontractor be available for District review; (iv) all contractors and subcontractors comply with applicable prevailing wage laws; (v) the District may withhold contract payments if any of the other requirements have not been satisfied. Data on outreach efforts and results to attract bidders to District projects shall be reported periodically to the Citizens' Oversight Committee. The information to the Citizens' Oversight Committee shall include statistical data, such as total number of bidders per project, but shall not include confidential information about specific bids and bidders; and
- (k) that in connection with the establishment of a Citizens' Oversight Committee, the Governing Board shall comply with Education Code Sections 15278 et seq., and beyond the requirements set forth therein, the Governing Board shall appoint persons such that a majority of the members of the Citizens' Oversight Committee possess expertise in one or more of the following areas:
 - (i) large-scale construction operations;
 - (ii) municipal/public finance matters;
 - (iii) multiple years expertise with agency/entity budgeting (which may include public agency or public entity budgeting);
 - (iv) construction related project management; and
 - (v) real estate acquisition or sales.
- Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 et seq., 15264 et seq., and Government Code Section 53506.
- Section 5. That the authority for the specifications of this election order is contained in Sections 5322 of the Education Code.
- Section 6. That the Los Angeles County Registrar of Voters and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District.
- Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Los Angeles County Registrar of Voters no later than Friday, August 12, 2016.

The Superintendent or designee is hereby authorized to prepare a tax rate Section 8. statement (the "Tax Rate Statement") conforming to the requirements of section 9401 of the California Elections Code, and to file the Tax Rate Statement with the Registrar of Voters within the time established by the Registrar of Voters.

The Registrar of Voters is hereby requested to include the Tax Rate Statement in all official publications pertaining to the Election, pursuant to the terms of Section 9402 of the California Elections Code.

The members of the Board are hereby authorized, but not directed, to prepare and Section 10. file with the Registrar of Voters a ballot argument in favor of the bond proposition contained in Section 2 hereof, within the time established by the Registrar of Voters.

Subject to the limitations in Section 1 regarding the terms of the Bonds, any Bonds issued pursuant to Section 15264 et seq. of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and Bonds issued pursuant to Section 53506 of the Government Code shall have a maturity not exceeding the maximum maturity rate under Section 53506. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by anybody or official authorized by law to canvass such returns, and that the Board consents to such consolidation.

Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Los Angeles County, such services to include the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

ADOPTED, SIGNED AND APPROVED this 11th day of August, 2016.

GOVERNING BOARD OF THE HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT

Penny Fraumeni, President

Board of Education of the Hacienda La Puente

Unified School District

Attest:

Cynthia Parulan-Colfer, Secretary

Board of Education of the Hacienda La Puente

Unified School District

STATE OF CALIFORNIA)
) ss
LOS ANGELES COUNTY)

I, Cynthia Parulan-Colfer, do hereby certify that the foregoing is a true and correct copy of the Resolution, which was duly adopted by the Governing Board of the Hacienda La Puente Unified School District at the meeting thereof held on the 11th day of August, 2016, and that it was so adopted by the following vote:

AYES: 5 NOS: 4 ABSTAIN: 4 ABSENT: 6

By: Secretary of the Board of Education of the Hacienda La Puente Unified School District

EXHIBIT A

"To upgrade/repair all neighborhood school classrooms and retain/attract quality teachers by renovating all science, technology, engineering, art/math labs/classrooms, and athletic facilities; ensuring drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college and 21st century vocational jobs/careers, shall Hacienda La Puente Unified School District issue up to \$148,000,000 in bonds at legal rates, requiring audits, citizens' oversight, no money for administrators' salaries, and all funds used locally?"

Bonds - Yes

Bonds - No

EXHIBIT B

(Full Text Ballot Proposition of the Hacienda La Puente Unified School District Bond Measure Election November 8, 2016

The following is the full proposition presented to the voters by the Hacienda La Puente Unified School District.

Hacienda La Puente Unified School District Classroom Repair/School Safety Measure. To upgrade/repair all neighborhood school classrooms and retain/attract quality teachers by renovating all science, technology, engineering, art/math labs/classrooms, and athletic facilities; ensuring drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college and 21st century vocational jobs/careers, shall Hacienda La Puente Unified School District issue \$148,000,000 in bonds at legal rates, requiring audits, citizens' oversight, no money for administrators' salaries, and all funds used locally?

PROJECT LIST

The Governing Board of the Hacienda La Puente Unified School District is committed to protecting the quality of education in our local schools by (i) funding advanced programs in math, science, technology and the arts, and (ii) providing facilities and equipment needed for career and technology education classes so students are prepared for college and good-paying jobs in fields like science, technology and the skilled trades. To that end, the Board evaluated the District's urgent and critical facility needs, including safety issues, class size maintenance, computer and information technology, and prepared a Facility Master Plan which is incorporated herein in its entirety, in developing the scope of projects to be funded. The Board concluded that if these needs are not addressed now, the problems will only become more pressing and expensive to address. Therefore, in approving this Project List, the Governing Board determines that the District must:

- Continue funding advanced programs in math, science, technology and the arts so that our students are prepared for success in college and 21st Century careers; and
- (ii) Maintain manageable class sizes; and
- (iii) Provide the facilities and equipment needed for career and technical education classes so students are prepared for college and good-paying jobs in fields like, science, technology and the skilled trades; and
- (iv) Keep school facilities and campuses clean and well-maintained; and
- (v) Adhere to specific fiscal accountability safeguards such as:
 - (a) Sacramento must be prohibited from taking any of the funds raised,

- (b) All expenditures must be subject to annual independent financial audits, and
- (c) An independent citizens' oversight committee must be appointed to ensure that all funds are spent only as authorized.

The Project List includes the following types of upgrades and improvements at the District schools:

School Maintenance, Renovation, Repair and Upgrade Projects

Goal and Purpose: Since providing the facilities and equipment needed for career training, advanced programs in math, science, technology, music, visual and performing arts programs, and technical education classes so students are prepared for college and good paying jobs in fields like science, technology and the skilled trades is critical, local schools will benefit from projects including:

- Repair or replace worn-out roofs, floors, plumbing, and electrical systems.
- Upgrade classrooms to keep pace with changing technology.
- Repair classrooms and school buildings.
- Provide improved, up-to-date technology infrastructure.
- Repair athletic facilities and infrastructure.

School Health and Safety and Energy Efficiency Projects

Student Safety

- Upgrade fire alarm systems to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors to make students safe in the event of an emergency.
- Upgrade and install security systems, such as security lighting, fencing, smoke detectors, and fire alarms and sprinklers for improved student safety.
- Upgrade emergency communication systems to improve student safety.

Energy Efficiency – Returning Savings to the Classroom

- Install energy efficient systems to save money and protect the quality of instruction in core subjects like reading, math, science and technology.
- Improve heating, ventilation, air conditioning and lighting systems, doors and windows to increase energy efficiency to save money.

District-Wide Instructional Technology and Wiring Projects <u>To Provide a 21st Century Education</u>

<u>Goal and Purpose</u>: To upgrade classrooms and computer systems to keep pace with technology and support raising academic standards by providing students with 21st Century technology skills and a strong background in science, math and technology:

- Upgrade instructional technology in the classroom for improved student learning.
- Provide and maintain up-to-date technology, data and communication equipment.
- Upgrade and expand wireless systems, telecommunications, and Internet and network connections, upgrade electrical wiring, data networks and broadband.
- Upgrade and replace computers, hardware and infrastructure systems, classroom and library technology and teaching equipment to enhance instruction.

* * *

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews and master plans, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, smart boards, cameras, sound projection systems, wireless networks, portable interface devices, printers, upgrade voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair and improvement of school facilities includes upgrading school site parking, campus accessibility, utilities, and grounds, playground equipment, hard court surfaces, lighting, elevators, water heaters, boilers, and casework; enhance signage; install fire sensors; upgrade athletic facilities, bleachers and play fields including turf; upgrade electrical wiring; renovate and paint interior and exterior building surfaces to extend their useful life; acquire or upgrade vehicles; improve security, install safety and communication systems and equipment, window and floor coverings (including tiles and carpeting); acquire kitchen equipment; upgrade irrigation systems; make improvements and acquire furnishings and/or other electronic equipment and systems; install solar or alternative energy management systems. The Project List also includes the refinancing of any outstanding lease obligations, or the bridge loans taken to initiate voter approved projects. The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the

Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient campuses.

Necessary site preparation/restoration and landscaping, may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE GOVERNING BOARD WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO **STRINGENT** FINANCIAL **ACCOUNTABILITY** REQUIREMENTS. BYPERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

<u>No Administrator Salaries</u>: Proceeds from the sale of the bonds authorized by this proposition shall be used only for the acquisition, construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and not for any other purpose, including teacher and school administrator salaries and other operating expenses. Bond funds shall not be temporarily transferred to the District's general fund for administrative purposes.